

**Belle Terre Realty Limited  
AND ITS SUBSIDIARY**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2018**

**Belle Terre Realty Limited AND ITS SUBSIDIARY****FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**Belle Terre Realty Limited**

**CORPORATE DATA**

		<b>Date of appointment</b>	<b>Date of resignation</b>
<b>DIRECTORS</b>	: Abdool Fareed Soreefan	4 June 2008	24 July 2017
	Mitrajeet D. Maraye	4 June 2008	4 May 2017
	Gaurav Goel	25 July 2008	-
	Satyapal Jain	25 July 2008	-
	Shah Ahmud Khalil Peerbocus	4 May 2017	-
	Bhoomisha Tina Sohoraye-Moholee	24 July 2017	-
<b>REGISTERED OFFICE</b>	: IFS Court, Bank Street TwentyEight Cybercity Ebene 72201 Mauritius		
<b>ADMINISTRATOR SECRETARY AND MAURITIAN TAX AGENT</b>	: SANNE Mauritius <i>(Formerly known as International Financial Services Limited)</i> IFS Court, Bank Street TwentyEight Cybercity Ebene 72201 Mauritius		
<b>AUDITORS</b>	: Nexia Baker & Arenson Chartered Accountants 5 <sup>th</sup> Floor, C&R Court 49, Labourdonnais Street Port Louis Mauritius		
<b>BANKER</b>	: SBI International (Mauritius) Limited 7th Floor, Wing 2 SBI Tower Mindspace Building Ebene Mauritius		

## **Belle Terre Realty Limited AND ITS SUBSIDIARY**

### **COMMENTARY OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present the audited financial statements of **Belle Terre Realty Limited** (the “Company”) and that of its subsidiary for the year ended 31 March 2018.

#### **PRINCIPAL ACTIVITY**

The principal activity of the Company is investment holding and that of its subsidiary, Oasis Holding (FZC), incorporated in United Arab Emirates (“UAE”), is to engage in investment of its own financial resources. The Company together with its subsidiary, (the “Subsidiary”), are referred to as the “Group”.

#### **RESULTS AND DIVIDEND**

The results of the Group for the year are shown in the statement of profit or loss and other comprehensive income and related notes.

No dividend has been paid or declared for the year under review (2017: USD Nil).

#### **DIRECTORS**

The present membership of the Board is set out on page 2.

#### **DIRECTORS’ RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Group and the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that Group and the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **AUDITORS**

The auditors, **Nexia Baker & Arenson**, have indicated their willingness to continue in office until the next Annual Meeting.

**CERTIFICATE FROM THE SECRETARY UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001**

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of **Belle Terre Realty Limited** under the Mauritius Companies Act 2001 during the financial year ended 31 March 2018.

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**For SANNE Mauritius  
Secretary**

**Registered office:**

IFS Court, Bank Street  
TwentyEight  
Cybercity  
Ebene 72201  
Mauritius

**Date: 25 April 2018**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF BELLE TERRE REALTY LIMITED AND ITS SUBSIDIARY**

#### **Report on the Financial Statements**

##### ***Opinion***

We have audited the financial statements of **Belle Terre Realty Limited (the "Company") and its subsidiary (together referred to as the "Group")**, set out on pages 8 to 36 which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss and other comprehensive income, statements of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Company as at 31 March 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Mauritius Companies Act 2001.

##### ***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants (IESBA Code), Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### ***Other Information***

The directors are responsible for the other information. The other information comprises the Commentary of the Directors and the Certificate from the Secretary. The other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### ***Directors' Responsibility for the financial statements***

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF BELLE TERRE REALTY LIMITED AND ITS SUBSIDIARY**

#### **Report on the Financial Statements (continued)**

##### *Directors' Responsibility for the financial statements (continued)*

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

##### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also,

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF BELLE TERRE REALTY LIMITED AND ITS SUBSIDIARY

#### Report on the Financial Statements (continued)

#### *Auditors' Responsibilities for the Audit of the Financial Statements (continued)*

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### *Other Matter*

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's members, as a body, those matters that we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

#### Report on Other Legal and Regulatory Requirements

#### *Mauritius Companies Act 2001*

We have no relationship with or interests in the Company and its subsidiary other than in our capacity as auditors.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

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Nexia Baker & Arenson  
Chartered Accountants

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Nitin Kumar Sobnack FCCA  
Licensed by FRC

Date:.....



## Belle Terre Realty Limited AND ITS SUBSIDIARY

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Notes	The Group		The Company	
		2018	2017	2018	2017
		USD	USD	USD	USD
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment property	6	12,953,027	-	-	-
Capital work in progress	7	-	13,320,758	-	-
Investment in subsidiary company	8	-	-	6,927,929	6,957,929
Investment in associated company	9	15,655,739	15,661,797	15,655,739	15,661,797
		<u>28,608,766</u>	<u>28,982,555</u>	<u>22,583,668</u>	<u>22,619,726</u>
<b>Current assets</b>					
Receivables and prepayments	10	38,939	4,654	1,938	1,625
Cash and cash equivalents		33,029	20,526	13,040	5,440
		<u>71,968</u>	<u>25,180</u>	<u>14,978</u>	<u>7,065</u>
<b>Total assets</b>		<u><u>28,680,734</u></u>	<u><u>29,007,735</u></u>	<u><u>22,598,646</u></u>	<u><u>22,626,791</u></u>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Stated capital	11	22,784,233	22,784,233	22,784,233	22,784,233
Currency translation reserve		(3,463)	(21)	-	-
Retained earnings/(revenue deficit)		92,879	(238,523)	(191,263)	(161,242)
		<u>22,873,649</u>	<u>22,545,689</u>	<u>22,592,970</u>	<u>22,622,991</u>
Non-controlling interest		5,731,034	5,936,745	-	-
		<u>28,604,683</u>	<u>28,482,434</u>	<u>22,592,970</u>	<u>22,622,991</u>
<b>Non-current liability</b>					
Other payable		-	224,664	-	-
<b>Current liability</b>					
Trade and other payables	12	76,051	300,637	5,676	3,800
<b>Total equity and liabilities</b>		<u><u>28,680,734</u></u>	<u><u>29,007,735</u></u>	<u><u>22,598,646</u></u>	<u><u>22,626,791</u></u>

Approved by the Board for issue on 25 April 2018 and signed on its behalf by:

.....  
Director

.....  
Director

The notes on pages 13 to 36 form an integral part of these financial statements.

**Belle Terre Realty Limited AND ITS SUBSIDIARY**
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	The Group		The Company	
		2018	2017	2018	2017
		USD	USD	USD	USD
<b>Income</b>					
Investment income	3 (s)	982,318	-	-	-
Operating income		1,986	-	-	-
Other income		12	3	12	3
		<u>984,316</u>	<u>3</u>	<u>12</u>	<u>3</u>
<b>Expenses</b>					
Amortisation and depreciation	6	428,308	-	-	-
Licence fees		11,089	11,287	2,100	2,300
Commission expense		57,184	-	-	-
Professional fees		14,025	12,516	14,025	9,707
Audit fee		6,900	2,300	6,900	2,300
Bank charges		950	645	950	645
Other expenses		7,925	-	-	-
		<u>526,381</u>	<u>26,748</u>	<u>23,975</u>	<u>14,952</u>
<b>Operating profit/(loss) for the year</b>		<b>457,935</b>	<b>(26,745)</b>	<b>(23,963)</b>	<b>(14,949)</b>
Share of loss of associated company	9	(6,058)	(6,081)	(6,058)	(6,081)
<b>Profit/(loss) before taxation</b>		<b>451,877</b>	<b>(32,826)</b>	<b>(30,021)</b>	<b>(21,030)</b>
Taxation	5	-	-	-	-
<b>Profit/(loss) for the year</b>		<b>451,877</b>	<b>(32,826)</b>	<b>(30,021)</b>	<b>(21,030)</b>
<b>Other comprehensive income</b>					
Exchange difference on translating foreign operation		(4,590)	1	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>447,287</b>	<b>(32,825)</b>	<b>(30,021)</b>	<b>(21,030)</b>
<b>Profit/(loss) attributable to:</b>					
Owners of the Company		331,402	(29,877)	(30,021)	(21,030)
Non-Controlling interests		120,475	(2,949)	-	-
		<u>451,877</u>	<u>(32,826)</u>	<u>(30,021)</u>	<u>(21,030)</u>
<b>Total comprehensive income/(loss) attributable to:</b>					
Owners of the Company		327,960	(29,876)	(30,021)	(21,030)
Non-Controlling interests		119,327	(2,949)	-	-
		<u>447,287</u>	<u>(32,825)</u>	<u>(30,021)</u>	<u>(21,030)</u>

The notes on pages 13 to 36 form an integral part of these financial statements.

Belle Terre Realty Limited AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018

The Group	Stated capital	Foreign currency translation reserve	(Revenue deficit)/ retained earnings	Attributable to owners of the Company	Non-controlling interests	Total
	USD	USD	USD	USD	USD	USD
At 1 April 2016	22,784,233	(22)	(208,646)	22,575,565	2,267,054	24,842,619
Loss for the year	-	-	(29,877)	(29,877)	(2,949)	(32,826)
Other comprehensive income for the year	-	1	-	1	-	1
Capital contribution	-	-	-	-	3,672,640	3,672,640
At 31 March 2017	22,784,233	(21)	(238,523)	22,545,689	5,936,745	28,482,434
Profit for the year	-	-	331,402	331,402	120,475	451,877
Other comprehensive loss for the year	-	(3,442)	-	(3,442)	(1,148)	(4,590)
Refund of capital contribution during the year	-	-	-	-	(325,038)	(325,038)
<b>At 31 March 2018</b>	<b>22,784,233</b>	<b>(3,463)</b>	<b>92,879</b>	<b>22,873,649</b>	<b>5,731,034</b>	<b>28,604,683</b>

The notes on pages 13 to 36 form an integral part of these financial statements.

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)**

**The Company**

	<b>Stated capital</b>	<b>Revenue deficit</b>	<b>Total</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>
At 1 April 2016	22,784,233	(140,212)	22,644,021
Total comprehensive loss for the year	-	(21,030)	(21,030)
At 31 March 2017	22,784,233	(161,242)	22,622,991
Total comprehensive loss for the year	-	(30,021)	(30,021)
<b>At 31 March 2018</b>	<b>22,784,233</b>	<b>(191,263)</b>	<b>22,592,970</b>

The notes on pages 13 to 36 form an integral part of these financial statements.

## Belle Terre Realty Limited AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	The Group		The Company	
		2018	2017	2018	2017
		USD	USD	USD	USD
<b>Cash flows from operating activities</b>					
Profit/(loss) before taxation		451,877	(32,826)	(30,021)	(21,030)
<i>Adjustments for:</i>					
Interest income		(12)	(3)	(12)	(3)
Share of loss of associated company	9	6,058	6,081	6,058	6,081
Amortisation and depreciation	6	428,308	-	-	-
Exchange difference		(3,586)	322	-	-
<b>Operating profit/(loss) before working capital changes</b>		<b>882,645</b>	<b>(26,426)</b>	<b>(23,975)</b>	<b>(14,952)</b>
Increase in receivables and prepayments		(34,285)	(50)	(313)	-
(Decrease)/increase in trade and other payables		(224,586)	294,386	1,876	-
Decrease in other payable		(224,664)	224,664	-	-
<b>Net cash from/(used in) operating activities</b>		<b>399,110</b>	<b>492,574</b>	<b>(22,412)</b>	<b>(14,952)</b>
<b>Cash flows from investing activities</b>					
Interest received		12	3	12	3
Construction cost	7	(61,581)	(4,229,187)	-	-
Refund by investee company	14	-	-	30,000	10,000
<b>Net cash (used in)/from investing activities</b>		<b>(61,569)</b>	<b>(4,229,184)</b>	<b>30,012</b>	<b>10,003</b>
<b>Cash flows from financing activity</b>					
Amount (refunded to)/received from shareholder	14	(325,038)	3,672,640	-	-
<b>Net cash (used in)/from financing activity</b>		<b>(325,038)</b>	<b>3,672,640</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>12,503</b>	<b>(63,970)</b>	<b>7,600</b>	<b>(4,949)</b>
Cash and cash equivalents at beginning of the year		20,526	84,496	5,440	10,389
<b>Cash and cash equivalents at end of the year</b>		<b>33,029</b>	<b>20,526</b>	<b>13,040</b>	<b>5,440</b>

The notes on pages 13 to 36 form an integral part of these financial statements.

**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**1. General information**

The Company was incorporated in Mauritius on 4 June 2008 as a private company limited by shares. The Company holds a Category 1 Global Business Licence issued by the Financial Services Commission and has its registered office at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius.

The financial statements comprise of the financial statements of the Company and its subsidiary. The financial statements of the Group are presented in United States Dollar ("USD"), which is the Group functional and presentation currency.

The principal activity of the Company is to act as an investment holding company. The principal activity of the subsidiary company are described on page 3.

**2. Basis of preparation***(a) Statement of compliance*

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards ("IFRS").

*(b) Basis of measurement*

The financial statements have been prepared on a historical cost basis except for financial assets and liabilities which are measured at fair value.

*(i) Functional and presentation currency*

The Group's and the Company's functional and presentation currency is USD and all values are rounded to the nearest Dollar. USD is the currency of the primary economic environment in which the Group and the Company operates and its performance is evaluated and its liquidity is managed in USD.

*(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at year-end exchange rates and differences in exchange are accounted for in the statement of profit or loss and other comprehensive income.

## Belle Terre Realty Limited AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 2. Basis of preparation (continued)

##### (c) Use of estimates and judgment

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### (d) Basis of consolidation

The financial statements incorporate the result of Belle Terre Realty Limited (the parent company) and that of its subsidiary, Oasis Holding (FZC) together referred to as the "Group". The reporting period of the parent company and the Subsidiary is 31 March 2018. Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

#### 3. Accounting policies

##### (a) Adoption of new and revised International Financial Reporting Standards

###### *Amendments to published Standards effective in the reporting period*

Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12). The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. *The amendment has no impact on the Group's and Company's financial statements.*

Disclosure Initiative (Amendments to IAS 7). The amendments require the entity to explain changes in its liabilities arising from financing activities. This includes changes arising from cash flows (eg drawdowns and repayments of borrowings) and non-cash changes such as acquisitions, disposals, accretion of interest and unrealised exchange differences.

###### *Annual Improvements to IFRSs 2014–2016 Cycle*

- IFRS 12 Disclosure of Interests in Other Entities. The amendments clarify that entities are not exempt from all of the disclosure requirements in IFRS 12 when entities have been classified as held for sale or as discontinued operations. *The amendment has no impact on the Group's and Company's financial statements.*

## Belle Terre Realty Limited AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 3. Accounting policies (continued)

##### (a) Adoption of new and revised International Financial Reporting Standards (continued)

*Standards, Amendments to published Standards and Interpretations issued but not yet effective*

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2018 or later periods, but which the Group and Company have not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

IFRS 9 Financial Instruments

IFRS 15 Revenue from Contracts with Customers

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

IFRS 16 Leases

Clarifications to IFRS 15 Revenue from Contracts with Customers

Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)

Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)

Annual Improvements to IFRSs 2014–2016 Cycle

IFRIC 22 Foreign Currency Transactions and Advance Consideration

Transfers of Investment Property (Amendments to IAS 40)

IFRS 17 Insurance Contracts

IFRIC 23 Uncertainty over Income Tax Treatments

Prepayment Features with negative compensation (Amendments to IFRS 9)

Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)

Annual Improvements to IFRSs 2015–2017 Cycle

Where relevant, the Group and the Company are still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.



**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**3. Accounting policies (continued)****(b) Financial instruments**

Financial assets and financial liabilities are recognised on the statement of financial position when the Group and the Company becomes a party to the contractual provisions of the instrument.

**(i) Financial assets***Trade and other receivables*

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of profit or loss and other comprehensive income when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payment through the expected life of the financial instruments, or where appropriate, a shorter period. Income is recognised on an effective interest basis for debt instruments other than those financial instruments 'at fair value through profit or loss'.

*Impairment of financial assets*

Financial assets are assessed for indicators of impairment at end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018****3. Accounting policies (continued)****(b) Financial instruments (continued)****(i) Financial assets (continued)***Impairment of financial assets (continued)*

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade and other receivable are uncollectible, it is written off against the allowance account. Subsequently recoveries of amounts previously written off are credited to the statement of profit or loss and other comprehensive income. Changes in the carrying amount of the allowance account are recognised in the statement of profit or loss and other comprehensive income.

*Other investments*

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and is initially measured at fair value, plus directly attributable transaction costs.

Investments are classified as either investment held-for-trading or as available-for-sale, and are measured at subsequent reporting dates at fair value. Where securities are held-for-trading purposes, gains and losses arising from changes in fair value are included in the profit or loss for the period. For available-for-sale investments, gains and losses arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired at which time the cumulative gain or loss previously recognised in equity is included in the profit or loss for the period. Impairment losses recognised in the statement of profit or loss and other comprehensive income for equity investments classified as available-for-sale are subsequently reversed in the statement of profit or loss and other comprehensive income for debt instruments classified as available-for-sale are subsequently reversed if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss.

**(ii) Financial liabilities and equity instruments***Classification as debt or equity*

Financial liabilities and equity instruments issued by the Group and the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**3. Accounting policies (continued)****(b) Financial instruments (continued)****(ii) Financial liabilities and equity instruments (continued)***Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue cost.

*Financial liabilities*

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method with interest expense recognised on an effective yield basis, except for short-term payables when the recognition of interest would be immaterial.

Interest-bearing bank loans and overdrafts are initially measure at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowing is recognised over the term of the borrowings in accordance with the Group's and the Company's accounting policy for borrowing costs.

The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash prepayments though the expected life of the financial liability, or where appropriate, a shorter period.

Financial guarantee contract liabilities are measured initially at their fair values and subsequently at the higher of the amount recognised as a provision and the amount initially recognised less accumulated amortisation. Amortisation (if any) is recognised in the statement of profit or loss and other comprehensive income over the guarantee period on a straight-line basis.

**(c) Impairment of non-financial assets**

At end of each reporting period, the Group and the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**3. Accounting policies (continued)****(c) Impairment of non-financial assets (continued)**

Recoverable amount is higher of fair value less costs to sell and value in use. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

**(d) Leases**

Leases under which substantially all the risks and rewards of ownership of the related asset remain with the lessor are classified as operating leases and the lease payments are charged to profit or loss on a straight-line basis over the period of the lease.

**(e) Investments in subsidiary companies**

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities accompanying a shareholding of more than one half of the voting rights or the majority of votes at meetings of the board of directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. In the Company's own separate financial statements, the investments in subsidiaries are stated at cost less any provision in impairment in value. Impairment loss recognised in profit and loss for a subsidiary is reversed only if there has been a change in estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The net book values of the subsidiaries are not necessarily indicative of the amounts that would be realised in a current market exchange.

**(f) Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, cash at bank, demand deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**3. Accounting policies (continued)****(g) Related parties**

Parties are considered to be related if one party has the ability to control (directly or indirectly) the other party or exercise significant influence over the other party in making financial and operating decisions.

**(h) Provisions**

Provisions are recognised when the Group and the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

**(i) Investment in associated company**

Associates are undertakings over which the Company generally has between 20% and 50% of the voting rights or over which the Company has significant influence but which it does not control. The Company holds investment in an associate, which is initially recognised at cost and subsequently accounted for by using the equity method of accounting.

The Company's share of its associate's profits or losses is recognised in the statement of profit or loss and other comprehensive income and its share of movements in reserves is recognised in equity. The cumulative movements are adjusted against the carrying amount of the investment. The accounting policies of the associate have been changed where necessary to ensure consistency with the policies adopted by the Company. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the statement of profit or loss and other comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited in the statement of profit or loss and other comprehensive income.

**(j) Expense recognition**

Expenses are accounted for in the statement of profit or loss and other comprehensive income on an accrual basis.

**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**3. Accounting policies (continued)****(k) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

**(l) Income tax**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The currently payable is based on taxable profit for the year. Taxable profit differs from the profit reported in the statement of profit or loss and other comprehensive income because it excludes income or expense items that are taxable or deductible in other years and items that are not taxable or tax deductible. The Group's and the Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computing taxable profit, and are accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which those deduction temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

**(m) Deferred tax**

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by end of each reporting period. Deferred tax is charged or credited to the statement of profit or loss and other comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle its current tax assets and liabilities on a net basis.

**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**3. Accounting policies (continued)****(m) Deferred tax (continued)**

Current and deferred tax are recognised as an expense statement of profit or loss and other comprehensive income, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities over cost.

**(n) Functional and foreign currency***Functional currency*

Items included in the financial statements of the Group and the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to entity. The financial statements of the Group and the Company are presented in United States Dollars, which is the functional currency of the Group and the Company.

*Foreign currency transactions*

Transactions in foreign currencies are translated to the functional currencies of the respective entities in the Group and the Company at the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at end of the reporting period are retranslated to the functional currency at the exchange rates on that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rates on the dates that the fair value was determined.

The monetary assets and liabilities of foreign operations are translated to United States Dollars at the exchange rates at end of the reporting period. Non-monetary assets are translated to United States Dollars at historical rate. The income and expenses of foreign operations are translated to United States Dollars at average exchange rates for the year.

Foreign exchange differences are recognised in the currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the currency translation reserve is transferred to the statement of profit or loss and other comprehensive income.

## Belle Terre Realty Limited AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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#### 3. Accounting policies (continued)

(o) Stated capital

Ordinary shares are classified as equity.

(p) Payable and accruals

Payables and accruals are stated at cost, as the interest that would be recognised from discounting future cash payments over the short credit period is not considered to be material.

(q) Loan receivable

*Deposits and other receivables*

Deposits and other receivables are classified as loans and receivables and stated at cost, as the interest that would be recognised from discounting future cash receipts over the short credit period is not considered to be material.

(r) Investment property and capital work-in-progress

#### **Cost model**

Leasehold rights and building acquired for the purposes of earning rental income and for capital appreciation are classified as investment properties and stated at cost less accumulated depreciation and impairment losses. The cost less estimated residual value, where material, is depreciated using the straight-line method over the expected useful lives of the properties as follows:

Leasehold rights	41 years
Building	20 years

Capital work-in-progress is stated at cost less any impairment losses and is not depreciated. This will be depreciated from the date the relevant assets are ready for use.

An assessment of depreciation method, useful lives and residual values is undertaken at end of each reporting period and, where material, if there is a change in estimate, an appropriate adjustment is made to the depreciation charge.



**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**3. Accounting policies (continued)****(s) Revenue**

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, returns and other similar allowances.

*Rental income*

Rent received from renting of properties during the year is based on contractual agreements and is accounted on accrual basis. Rent received in advance for future periods is carried forward and included in current liabilities.

*Interest income*

Interest income is recognised on the accrual basis

*Dividend income*

Dividend income is recognised when the shareholders' rights to receive payment have been established.

*Investment income*

This represents rental income earned on leasing of the labour accommodation situated in Dubai, UAE.

**4. Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and the Company makes estimates and assumptions concerning the future. The future accounting estimates will by definition, seldom equal to the actual results.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Belle Terre Realty Limited AND ITS SUBSIDIARY****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**4. Critical accounting estimates and judgements (continued)***Determination of functional currency*

The determination of the functional currency of the Group and the Company is critical since recording transaction and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered these factors and have determined that the functional currency of the Group and the Company is USD.

*Going concern*

The Group's and the Company's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group and the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's and the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**5. Taxation**

**The Company**

(a) Income tax rate

The Company is under current laws and regulations, liable to pay income tax on its net income at a rate of 15%. The Company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritius tax payable in respect of its foreign source income tax thus reducing its maximum effective tax rate to 3%.

The Company has received a Tax Residence Certificate to avail of the benefits of double tax treaty between Mauritius and India.

No Mauritian capital gain tax is payable on profits arising from sale of securities, and any dividends and redemption proceeds paid by the Company to its shareholders will be exempt in Mauritius from any withholding tax.

At 31 March 2018, the Company had accumulated tax losses of **USD86,659** (2017: USD74,809) which will be carried forward and available for set off against future taxable profits up to the year ending 31 March 2018.

A deferred tax asset of **USD2,600** (2017: USD2,244) has not been recognised in respect of the tax losses carried forward as the directors consider that it is not probable that future taxable profit will be available against which the unused tax losses can be utilised.

(b) Tax reconciliation

The reconciliation between the actual tax expense and the tax calculated at the applicable rate of 15% for the year under review is as follows:

	<u>2018</u>	<u>2017</u>
	USD	USD
Loss before taxation	<u>(23,963)</u>	<u>(14,949)</u>
Tax at the rate of 15%	(3,594)	(2,242)
Tax effect of:		
Non allowable expense	<u>(9,404)</u>	<u>(8,979)</u>
	<b>(12,998)</b>	<b>(11,221)</b>
Tax credit of 80%	10,398	8,977
Deferred tax not recognised	<u>2,600</u>	<u>2,244</u>
Tax charge	<u>-</u>	<u>-</u>

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**5. Taxation (continued)**

**The Subsidiary**

The subsidiary company, Oasis Holding (FZC), is exempt from taxation in United Arab Emirates.

**6. Investment property**

	<b>The Group</b>		
	<b>Leasehold rights (a)</b>	<b>Building (b),(c)</b>	<b>Total</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b><u>Cost</u></b>			
At beginning of the year	-	-	-
Transfer from capital work in progress during the year (see note 7)	8,595,089	4,786,233	13,381,322
At end of the year	8,595,089	4,786,233	13,381,322
<b><u>Amortisation/Depreciation</u></b>			
At beginning of the year	-	-	-
Charged during the year	199,480	228,828	428,308
Exchange difference	(6)	(7)	(13)
At end of the year	199,474	228,821	428,295
<b><u>Net Book Values</u></b>			
<b>As at 31 March 2018</b>	<b>8,395,615</b>	<b>4,557,412</b>	<b>12,953,027</b>

- (a) This represents amount paid for rights to leasehold land in the year 2008. The leasehold land is situated in Dubai, UAE. The lease is for a period of 50 years and valid up to 18 June 2058.
- (b) This represents building used for labour accommodation situated in Dubai, UAE which is constructed on the leasehold land. The construction has been completed on 17 April 2017.
- (c) The management is of the opinion that, in the absence of comparable market prices, the fair value of building cannot be reasonably reliably determined but is considered to be at least equal to its carrying amount.

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**7. Capital work in progress**

	<b>The Group</b>	
	<b>2018</b>	<b>2017</b>
	<b>USD</b>	<b>USD</b>
At beginning of the year	13,320,758	9,091,892
Addition during the year	61,581	4,229,187
Exchange difference	(1,017)	(321)
Transferred to investment property (see note 6)	<b>(13,381,322)</b>	-
At end of the year	<b>-</b>	<b>13,320,758</b>

**8. Investment in subsidiary company**

	<b>The Company</b>	
	<b>2018</b>	<b>2017</b>
	<b>USD</b>	<b>USD</b>
At beginning of the year	6,957,929	6,967,929
Movement during the year	<b>(30,000)</b>	<b>(10,000)</b>
At end of the year	<b>6,927,929</b>	<b>6,957,929</b>

Name of subsidiary company	Country of incorporation	Number and type of shares	% holding	<b>At cost</b>	
				<b>2018</b>	<b>2017</b>
				<b>USD</b>	<b>USD</b>
Oasis Holding (FZC)	United Arab Emirates	75 equity shares of AED 1,500 each	75%	30,654	30,654
		Amount advanced		<b>6,897,275</b>	6,927,275
				<b>6,927,929</b>	<b>6,957,929</b>

Oasis Holding (FZC) is engaged in investment of own financial resources and has incurred expenses for plot of land and development thereof for construction of labour accommodation.

The directors are of the opinion that there is no impairment on the value of the investment as at 31 March 2018 and that the fair value approximates at least its cost.

The amount advanced to the subsidiary company of USD6,897,275 is unsecured, interest free and is expected to be settled in cash after more than one year.

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**9. Investment in associated company**

				<b>The Group and The Company</b>	
				<b>2018</b>	<b>2017</b>
				<b>USD</b>	<b>USD</b>
At beginning of the year				<b>15,661,797</b>	15,667,878
Share of losses during the year				<b>(6,058)</b>	(6,081)
At end of the year				<b>15,655,739</b>	15,661,797

  

<b>Name of associated company</b>	<b>Country of incorporation</b>	<b>Number and type of shares</b>	<b>% holding</b>	<b>Carrying amount</b>	
				<b>2018</b>	<b>2017</b>
				<b>USD</b>	<b>USD</b>
Searock Developers FZC	United Arab Emirates	50 equity shares of AED 1,500 each	50%	<b>1,250</b>	7,308
Amount advanced				<b>15,654,489</b>	15,654,489
				<b>15,655,739</b>	15,661,797

The initial cost of investment in Searock Developers FZC amounted to USD20,436.

Searock Developers FZC is engaged in Real Estate Development and related activities.

The amount advanced to associated company of USD15,654,489 is unsecured, interest free and is expected to be settled in cash after more than one year.

The Company, as required by International Accounting Standards 28, is preparing financial statements under the equity method of accounting for its investment in associated undertakings.

The summarised information of Searock Developers FZC used in applying the equity method of accounting are as follows:

<b>Year ended</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Revenues</b>	<b>Losses</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>31 March 2018</b>	<b>31,202,064</b>	<b>2,451</b>	<b>42</b>	<b>(12,115)</b>
31 March 2017	31,216,559	2,451	360	(12,162)

Belle Terre Realty Limited AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

10. Receivables and prepayments

	<u>The Group</u>		<u>The Company</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Deposit	5,682	953	-	-
Prepayments	4,013	3,701	1,938	1,625
Rent receivable	29,244	-	-	-
	<u>38,939</u>	<u>4,654</u>	<u>1,938</u>	<u>1,625</u>

11. Stated capital

	<u>The Company</u>	
	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>
<i>Issued and fully paid</i>		
<u>Ordinary shares of USD1 each</u>		
At beginning and end of the year	<u>9,933</u>	<u>9,933</u>
<u>Optionally convertible preference shares of USD1 each</u>		
At beginning and end of the year	<u>22,774,300</u>	<u>22,774,300</u>
<b>Total</b>	<u>22,784,233</u>	<u>22,784,233</u>

Ordinary shares are non-redeemable shares and have right to distribution. Holders of the ordinary shares have the right to vote on all matters submitted to shareholders except those requiring approval of the optionally convertible preference shareholders.

Optionally convertible preference shares ("OCPS") are redeemable at par by the Company to its holders and are not to be redeemed below its issue price. The OCPS can be converted into ordinary shares at the option of its holder as well as at the option of the Company at any time after issue of OCPS. The OCPS can be converted within 10 years in the ratio of one OCPS for one ordinary share. The OCPS do not have any voting rights at shareholders' meetings of the Company except on matters affecting their rights. The OCPS have priority for distribution over ordinary shares on winding up.

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**12. Trade and other payables**

	<b>The Group</b>		<b>The Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Payable to supplier	-	69,722	-	-
Other payable	<b>59,565</b>	224,664	-	-
Accruals	<b>8,941</b>	6,251	<b>5,676</b>	3,800
Deferred rental income	<b>7,545</b>	-	-	-
	<b>76,051</b>	<b>300,637</b>	<b>5,676</b>	<b>3,800</b>

**13. Financial instruments and associated risks**

The Group and the Company are exposed to various types of risks that are associated with the financial instruments. The most important types of financial risk to which the Group and the Company are exposed are market risk, credit risk and liquidity risk.

The nature and extent of the financial instruments outstanding at end of the reporting period and the risk management policies employed by the Group and the Company are discussed below.

**(a) Market risk**

Market risk embodies the potential for both loss and gains and includes currency risk, interest rate risk and price risk. The Group's and the Company's market risk are managed by the Company in accordance with policies and procedures in place.

*(i) Currency risk*

The Group and the Company may enter into transactions denominated in currencies other than its functional currency. Consequently, the Group and the Company are exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Group's and the Company's assets or liabilities denominated in currencies other than the USD.



**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**13. Financial instruments and associated risks (continued)**

**(a) Market risk (continued)**

*(i) Currency risk (continued)*

Currency profile

The Group's and the Company's total net exposure to fluctuations in foreign currency exchange rates at the end of the reporting period were as follows:

	<b>The Group</b>			
	<b>2018</b>		<b>2017</b>	
	<b>Financial assets USD</b>	<b>Financial liabilities USD</b>	<b>Financial assets USD</b>	<b>Financial liabilities USD</b>
Dirhams	54,915	70,375	15,086	2,798,705
United States Dollars	15,667,529	5,676	15,659,929	6,251
	<b>15,722,444</b>	<b>76,051</b>	<b>15,675,015</b>	<b>2,804,956</b>

  

	<b>The Company</b>			
	<b>2017</b>		<b>2016</b>	
	<b>Financial assets USD</b>	<b>Financial liabilities USD</b>	<b>Financial assets USD</b>	<b>Financial liabilities USD</b>
United States Dollars	22,564,804	5,676	22,587,204	3,800

*Sensitivity analysis*

The following table details the Company's sensitivity to a 5% increase and decrease in Dirhams against the USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the Dirhams strengthens 5% against the USD. For a 5% weakening of Dirhams against the USD, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**13. Financial instruments and associated risks (continued)**

**(a) Market risk (continued)**

*(i) Currency risk (continued)*

*Sensitivity analysis (continued)*

	Increase /(decrease) in foreign exchange rate	The Group		The Company	
		Effect on equity		Effect on equity	
		2018	2017	2018	2017
Depreciation of USD in relation to Dirhams	+5%	<u>736</u>	<u>132,553</u>	<u>-</u>	<u>-</u>
Appreciation of USD in relation to Dirhams	-5%	<u>(814)</u>	<u>(146,506)</u>	<u>-</u>	<u>-</u>

*(ii) Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's and the Company's financial assets (except bank deposits) and liabilities are non-interest-bearing. As such, the Group and the Company are not subject to significant risk due to fluctuations in the prevailing levels of the market interest rates. Interest income from bank deposits may fluctuate in amount, in particular due to changes in the interest rates. However, the interest rate risk of the Group and the Company was insignificant on its cash at bank as at 31 March 2018.

*(iii) Price risk*

Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to the investment or all factors affecting all instruments traded in the market.

The Company is not exposed to price risk as the shares of the investee companies are not quoted.

**(b) Credit risk**

Credit risk represents the potential loss that the Group and the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Group and the Company. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**13. Financial instruments and associated risks (continued)**

**(b) Credit risk (continued)**

The maximum exposure of financial assets to credit risk for the year is as follows:

	<b>The Group</b>		<b>The Company</b>	
	<b>2018</b>	2017	<b>2018</b>	2017
	<b>USD</b>	USD	<b>USD</b>	USD
Advances to associated company	<b>15,654,489</b>	15,654,489	<b>22,551,764</b>	22,581,764
Cash and cash equivalents	<b>33,029</b>	20,526	<b>13,040</b>	5,440
	<b>15,687,518</b>	15,675,015	<b>22,564,804</b>	22,587,204

**(c) Liquidity risk**

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's and the Company's reputation.

The following are the contractual maturities of financial liabilities:

	<b>The Group</b>		<b>The Company</b>	
	<b>Less than one year</b>	<b>Between 1 and 5 years</b>	<b>Less than one year</b>	<b>Between 1 and 5 years</b>
	<b>USD</b>	USD	<b>USD</b>	USD
<i>At 31 March 2018</i>				
Trade and other payables	<b>76,051</b>	-	<b>5,676</b>	-
<i>At 31 March 2017</i>				
Trade and other payables	300,637	224,664	3,800	-

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**13. Financial instruments and associated risks (continued)**

**(d) Capital risk management**

The Group's and the Company's primary objectives when managing capital are to safeguard their ability to continue as a going concern.

The Group and the Company define "capital" as including all components of equity.

The Group's and the Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Group and the Company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Group and the Company, to the extent that these do not conflict with the directors' fiduciary duties towards the Group and the Company or the requirements of local regulation.

The Group and the Company were not subject to externally imposed capital requirements during the year under review.

**14. Related party transactions**

The following transactions were carried out with related parties during the year ended 31 March 2018:

Name of related parties	Relationship	Nature of transactions	Volume	Balance	
			2018	2018	2017
			USD	USD	USD
<b><u>The Company</u></b>					
<u>Advances to investee companies</u>					
Oasis Holding (FZC)	Subsidiary company	Amount advanced	(30,000)	6,897,275	6,927,275
Searock Developers FZC	Associated company	Amount advanced	-	15,654,489	15,654,489
			<u>(30,000)</u>	<u>22,551,764</u>	<u>22,581,764</u>

**Belle Terre Realty Limited AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**14. Related party transactions (continued)**

Name of related parties	Relationship	Nature of transactions	Volume	Balance	
			2018	2018	2017
			USD	USD	USD
<b><u>The Group</u></b>					
<u>Advance to investee company</u>					
Searock Developers FZC	Associated company	Amount advanced	-	15,654,489	15,654,489
<u>Capital contribution</u>					
GRP Holdings Limited	Shareholder	Amount received	(325,038)	5,627,257	5,952,295

**15. Holding and ultimate holding companies**

The directors regard Jai Realty Ventures Limited as the Company's holding company and Jai Corp Limited as its ultimate holding company, both companies incorporated in India. Jai Corp Limited is listed on the National Stock Exchange and Bombay Stock Exchange in India.

**16. Events after the reporting period**

There have been no material events since the end of the reporting period which would require disclosures or adjustments to the financial statements for the year ended 31 March 2018.

The Chief Executive  
Financial Services Commission  
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**Belle Terre Realty Limited**

**CERTIFICATE OF THE AUDITORS IN ACCORDANCE WITH CONDITION 9(b)  
OF THE CATEGORY 1 GLOBAL BUSINESS LICENCE ISSUED BY THE  
FINANCIAL SERVICES COMMISSION**

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This certificate is made solely for the purpose of satisfying condition 9(b) of the Category 1 Global Business Licence issued by the Financial Services Commission to **Belle Terre Realty Limited** (the "Company"). Condition 9 stipulates that whenever the Company is promoted by Indian Residents/Indian Corporation, the Company:

- (a) shall not reinvest into India funds derived from sources within India, failing which this licence may be revoked under provisions of Section 74(5) of the Financial Services Act 2007;
- (b) shall, every year together with the accounts submitted under Section 30(1) of the Financial Services Act 2007 submit to the Financial Services Commission a certificate from its auditor to the effect that the Company has fully complied with paragraph 9(a) above.

We have examined the books and records of the Company as prepared and submitted to us by the Directors for the year ended 31 March 2018.

Based on our examination thereof, nothing has come to our attention that causes us to believe that the Company did not comply, in all material respects, with Condition 9(a) in the year ended 31 March 2018.

Our certificate is solely for the purpose set forth in the first paragraph of this certificate and should not be distributed to or used by other parties.

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**Nexia Baker & Arenson**  
**Chartered Accountants**

**Date:.....**